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Sent: Friday, October 21, 2005 10:50 AM
To: ATR-Real Estate Workshop
Cc: vsutton@freeway.net
Subject: an offer

An open offer to anyone questioning the competitive nature of the real estate business:

Come work with in our company for a year. Work on a commission basis. Hope you sell something this month. Your mortgage is due. And your car payment. Lights. Food. Clothes for the kids.

And don't worry, the amount of regulatory paperwork only takes 4 times as long to accomplish your task. Spend hour after hour doing your job and doing it well then have your client buy the neighbors house his buddy told him about. You get paid nothing even though you did a great job. Or you are at church and that client walks into another office to ask about the new sign in their neighborhood and buys the house. Don't think that happens? Then I do have a bridge to sell you.

Not competitive? You must be kidding. Realtors compete with each other for their livelihood. It is capitalism at it's best. Pure negotiation with every company having unfettered discretion to charge each client whatever the market will bear knowing the next person might do more for less. And to pay their independent contractor sales staff whatever they negotiate for the best agents. Make sure you charge enough to pay your bills, run your business, pay your taxes but not too much. There is always someone willing to do it for less. And competing with the home owner choosing to internalize their product.

Everything about the profession is regulated but most of the controls are SELF GOVERNED AND INDUSTRY FUNDED! The National Association of Realtors provides the backbone for the industry through it's Code of Ethics. Violate it and you are punished. What does that mean? No one broke the law, they just broke a pledge made to provide a level of professional service one should expect. I am sure you would you put such a trivial investment and something as impersonal as your family home in the hands of such a Realtor with such an ethical violation.

Oh, don't forget, while you are working with us:

- Fund your own retirement program - make sure you fund both sides as there is no one to match it.
- Pay your own health insurance as you are an independent contractor and have no employer to do it.
- Pay ALL of the income and payroll taxes. No splitting it with your employer. And don't forget to pay self employment tax.
- Don't worry though, the money you spend to facilitate your business and provide a quality service for your customers and clients is deductible. Unless you are marginally successful and the Alternative Minimum Tax (ATM) negates your deductions. As it works out, there is no deductibility of these expenses.

No need to work hard. It's easy.

All this said, do you know what I would want to see you do...Make it more competitive. Make the educational component significant. Make it a 4 year degree. Charge license fees of \$3,000. per year. Eliminate those people on the fringes. Put the best up front and watch them fight it out. If you don't think it is competitive enough, call me. I can help you out.

Have a great day and hope you feel well. If your sick, you don't have sick

days. You just don't get paid.

Your Link To Northern Michigan

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